



Town of Raymond

2021 *Draft BOS* Appropriation Package

Operational Budgets & Warrant Articles

Disclaimer

This presentation affords the BOS an opportunity to provide feedback to the Town Manager for the finalized Appropriation Package submitted to BUDCOM

- 1) These are **Draft** Budgets & Warrant Articles & Subject to Change
- 2) Submission of these **Drafts** to the BUDCOM **does not constitute BOS Approval** (BOS must vote on the final product)
- 3) Estimated tax impacts are not determined

Overview

- Board of Selectmen Task to Town Manager
- Overall Bottomline Up Front
- 2021 Draft Board of Selectmen Town Operational Budget
- 2021 Draft Board of Selectmen Water Department Budget
- 2021 Draft Board of Selectmen Warrant Articles

Board of Selectmen Task to Town Manager

- Mitigate Tax Impacts of Covid-19 to the greatest extent possible
- Ensure growth in the Municipal Tax Rate does not exceed CPI (1.9%)
- Deliberately Fund Unassigned Fund Balance by \$400,000 +5% each yr
- Address Capital Investment Funding Shortfalls (keeping taxes low)
- Ensure Elderly Exemption is not outpaced by SSI COLA
- Incrementally Increase Disabled Veteran Credit (\$500 per year)
- Attempt to fully fund Torrent Hose Company Remodel for 2021
- Develop a plan to save the Bean Tavern and get it before the voters

Overall Bottomline Up Front

- **The Recommended Appropriation Package represents an estimated:**
- **-1.85% reduction** in the Town Operational Budget (**-\$143,582**)
- **-6% reduction** in Water Department Operational Budget (**-\$58,378**);
 - **\$50,000** is recommended to be added to Water CIP; with a **-\$8,378** reduction in Total Water Appropriations
- **-\$133,082 reduction (or -1.55%)** in Total Tax Funded Appropriations (Budget and WA)
- **\$2.4M** investment Capital Funding; **70% (\$1.7M)** from sources other than future taxation (includes Block Grant):
 - 2021 Road Funding Package of approximately **\$941,000** (includes Block Grant)
 - 2021 Facility Funding Package of approximately **\$815,000.00**
 - 2021 Water Funding Package of approximately **\$250,000.00 (25% Increase from 2020 & 357% from 2019)**
 - 2021 Vehicle and Equipment Funding Package of approximately **\$415,000.00**
- **\$420,000** deliberate growth in the Unassigned Fund Balance
 - 2018 Audited; \$3,672,496 [+11.4%]; 2019 Unaudited estimate of \$4,506,299 [+9.3%])
- **Second Consecutive year with an overall reduction of -\$130,000+**
- **Likely to result in 3rd consecutive year in Municipal Tax Cuts (2020 Tax Rate still pending)**

Note; Due to rounding in formulas there may be slight variations numbers and percentages between Excels

2021 Town Operational Budget Overview

This is a Draft document and insurance cost are not 100% validated and could change during the review/edit process

Key Points

- **Fiscal Strategies applied over the last three (3) Budget Cycles are starting to bear fruit:**
 - 2018 Spending Protocols netted incremental cuts across the majority of lines
 - Efficiency Actions (i.e. LED Conversions, Health Plan Conversion, Cyclic and Contingency Warrant Article)
 - Personnel Actions (i.e. Buy-Out Mitigation Strategy, 2019 Town Re-Organization Strategy, Employee Turn-Over)
 - Systematic Reallocation of Funding Lines to Warrant Article CRFs
 - Culture of Fiscal Stewardship & Employee Cost Saving Innovations/Best Practices
 - 2019 Board of Selectmen Adoption of Town Fiscal Principles Policy
- **2020 Contributing Factors on 2021 Operation Budget:**
 - 19' Re-Organization Strategy Saw Increases/Decreases in Department Budgets w/ an overall net reduction on bottom-line
 - New Labor Changes (i.e. Contribution to State Retirement, Non-Exempt/Exempt Labor Laws) caused increases in employee cost
 - Estimated +\$63,000 impact
 - Net Oil-Based Energy Savings; due to 2020 low demand caused by Covid-19
 - Net 5.6% Postal Increase; due to 2020 loss in USPS revenue due to low demand caused by Covid-19
 - 2021 is the First Budget with the split Town Clerk/Tax Collector Position

		2020 Budget	2020 YTD 10/1/2020	2021 TM Proposed 10-5-2020	2021 +/- 2020 Budget	2021 +/- % 2020 Budget
8001	TCTC	\$ 181,604	\$ 157,592	\$ 234,013	\$ 52,409	29%
8002	Town	\$ 554,482	\$ 407,744	\$ 578,747	\$ 24,265	4%
8003	Elections	\$ 13,441	\$ 25,260	\$ 12,847	\$ (594)	-4%
8004	Cemetery	\$ 34,420	\$ 15,637	\$ 34,038	\$ (382)	-1%
8005	GGB	\$ 261,893	\$ 142,478	\$ 239,110	\$ (22,783)	-9%
8006	Assessing	\$ 103,422	\$ 75,109	\$ 96,926	\$ (6,496)	-6%
8007	Planning	\$ 140,141	\$ 52,799	\$ 84,407	\$ (55,734)	-40%
8008	Legal	\$ 47,600	\$ 39,363	\$ 30,601	\$ (16,999)	-36%
8009	Reg. Assoc.	\$ 19,193	\$ 19,193	\$ 19,193	\$ -	0%
8010	Ethics	\$ 300	\$ -	\$ 300	\$ -	0%
8014	Budget	\$ 270	\$ 65	\$ 270	\$ -	0%
8015	Police	\$ 1,955,930	\$ 1,315,734	\$ 2,004,085	\$ 48,155	2%
8016	Fire	\$ 522,742	\$ 300,391	\$ 538,482	\$ 15,740	3.01%
8017	EM	\$ 2,729	\$ 654	\$ 2,430	\$ (299)	-11%
8018	Building	\$ 80,103	\$ 55,421	\$ 81,523	\$ 1,420	2%
8019	Dispatch	\$ 477,039	\$ 317,980	\$ 486,316	\$ 9,277	2%
8021	Hydrant	\$ 156,442	\$ 79,858	\$ 156,442	\$ -	0%
8024	Highway	\$ 753,689	\$ 386,911	\$ 682,994	\$ (70,695)	-9%
8025	Str Lights	\$ 19,101	\$ 13,377	\$ 16,501	\$ (2,600)	-14%
8026	DPW Admin	\$ 153,494	\$ 106,881	\$ 153,672	\$ 178	0.12%
8027	DPW Fleet	\$ 141,258	\$ 90,746	\$ 136,803	\$ (4,455)	-3%
8031	Transfer	\$ 73,960	\$ 29,658	\$ 73,742	\$ (218)	0%
8038	Ambulance	\$ 39,300	\$ 29,474	\$ 39,300	\$ -	0%
8040	Econ Dev	\$ 351	\$ -	\$ 3	\$ (348.00)	-99%
8044	Welfare	\$ 61,730	\$ 25,110	\$ 69,914	\$ 8,184	13%
8049	Library	\$ 256,582	\$ 194,209	\$ 263,192	\$ 6,610	3%
8050	Recreation	\$ 302,080	\$ 173,426	\$ 310,148	\$ 8,068	3%
8051	Patriotic	\$ 7,750	\$ 505	\$ 7,547	\$ (203)	-3%
8052	Cons Com	\$ 925	\$ 14	\$ 925	\$ -	0%
8053	Town Fair	\$ 7,408	\$ -	\$ 6,621	\$ (787)	-11%
8058	Parks	\$ 160,527	\$ 85,315	\$ 150,550	\$ (9,977)	-6%
8080	Insurances	\$ 1,250,359	\$ 809,182	\$ 1,125,040	\$ (125,318)	-10%
		\$ 7,780,265	\$ 4,950,086	\$ 7,636,683	\$ (143,582)	-1.85%

Influenced in Part by Personnel Actions

- 2019 Reorg
 - TC/TC Split
- Labor Laws
- State Retirement
- Work Distribution
- Employee Turn-Over

-1.85% reduction; or -\$143,582 decrease from 2020

2021 Water Department Budget Overview

Bottomline Up Front:

2021 Proposed Water Budget is a \$58,378 decrease from 2019 or -6%.

		2020 Budget	2020 YTD 10/1/2020	2021 TM Proposed 10-5-2020	2021 +/- 2020 Budget	2021 +/- % 2020 Budget
8076	Water	\$ 907,146	\$ 631,772	\$ 848,769	\$ (58,378)	-6%

Water Department Operational Budget Decreases are not reduced in the Default Budget

Strategy; \$50,000 of this reduction is recommended to be re-allocated toward Water Capital Investment Warrant Articles to increase Water Capital Investment to \$250,000.

Overall Water Department Appropriations

(Budget and Capital Investment Warrant Article) is -\$8,378 from 2020

Draft Warrant Articles (Core)

2021 General Fund Core Warrant Article Projections				
Projected 2020-2021 Core Warrant Articles <i>Funded Through Taxation</i>				
Town of Raymond Core Warrant Article	2020	Draft 2021	Increase Decrease	Percentage Change
1) Town Operational Budget	\$7,780,265.00	\$7,633,683.00	(\$143,582.00)	-1.85%
2) Capital Improvement	\$345,000.00	\$345,000.00	\$0.00	0.00%
3) Road Reconstruction	\$350,000.00	\$360,500.00	\$10,500.00	3.00%
4) Mosquito Control	\$40,000.00	\$40,000.00	\$0.00	0.00%
5) Scholarship	\$2,000.00	\$2,000.00	\$0.00	0.00%
6) 4 th of July	\$3,000.00	\$3,000.00	\$0.00	0.00%
7) Social Services	\$40,000.00	\$40,000.00	\$0.00	0.00%
Totals	\$8,560,265.00	\$8,424,183.00	(\$133,082.00)	-1.55%
Projected 2019-2020 Core Administrative Warrant Articles <i>No Funding Through Taxation</i>				
Town of Raymond Core Admin Warrant Article	2020	Draft 2021	Increase Decrease	Percentage Change
8) Fund 18	\$0.00	\$0.00	\$0.00	0.00%
9) Shim & Overlay	\$264,921.00	\$241,126.59	(\$23,794.41)	-8.98%
10) Contingency Fund	\$101,182.00	\$101,182.00	\$0.00	0.00%
Totals (No 2020 Tax Impact)	\$366,103.00	\$342,308.59	(\$23,794.41)	-6.50%
Projected 2019-2020 Core Warrant Articles <i>Funded Through Fund Balance; Not Taxation</i>				
Town of Raymond Core Fund Balance Warrant Article	2019	Draft 2020	Increase Decrease	Percentage Change
11) Sick & Vacation Non-Union	\$20,000.00	\$20,000.00	\$0.00	0%
12) Sick & Vacation Union	\$20,000.00	\$20,000.00	\$0.00	0%
Totals (No 2020 Tax Impact)	\$40,000.00	\$40,000.00	\$0.00	0%

Recommend
Consolidating
Trust Funds and
Increasing to
\$50,000

Trust Fund Notes:

- Combined \$109,723
- 79.9% in Union
 - \$87,680
- 20.1% in Non-Union
 - \$22,043

Draft Warrant Articles (Supplemental)

2021 General Fund Supplemental Warrant Article Projections				
Projected 2020-2021 Supplemental Warrant Articles <u>Funded Through Taxation</u>				
Town of Raymond Supplemental Warrant Article	2020	Draft 2021	Increase Decrease	Percentage Change
13) Elderly Exemption Increase (1.9%)	\$30,350.00	\$19,221.65	N/A	N/A
14) Disabled Vet Credit Increase	\$10,000.00	\$10,000.00	N/A	N/A
Totals	\$40,350.00	\$29,221.65	\$0.00	0.00%
Projected 2020-2021 Supplemental Warrant Articles <u>Funded Through Fund Balance</u>				
Town of Raymond Supplemental Fund Balance Warrant Article	2020	Draft 2021	Increase Decrease	Percentage Change
15) One-Time or Cyclic Cost	\$117,900.00	\$40,000.00	(\$77,900.00)	-66.07%
16) Road Revitalization Funds	\$300,000.00	\$300,000.00	\$0.00	0.00%
17) Facility Revitalization Funds	\$290,000.00	\$700,000.00	\$410,000.00	141.38%
18) Vehicle & Equip Revitalization Funds	\$0.00	\$230,000.00	\$230,000.00	N/A
Totals (No 2020 Tax Impact)	\$707,900.00	\$1,270,000.00	\$562,100.00	N/A

New*

Same methodology of other Revitalization WA; designed to bring CRFs funding capability to 100% over the next 5-years and beyond; no tax impact and mitigates/prevents bonding for Capital Investment

Draft Warrant Articles (Supplemental)

Projected 2020-2021 Supplemental Administrative Warrant Articles <i>No Funding Through Taxation</i>				
Town of Raymond Supplemental Admin Warrant Article	2020	Draft 2021	Increase Decrease	Percentage Change
10 Old Fremont Road (Bean Tavern)	\$0.00	\$260,000.00	\$260,000.00	N/A
Totals	\$0.00	\$260,000.00	\$260,000.00	N/A

2020 Overall Water Department

Town of Raymond 2020 Water Department Projections				
Town of Raymond Water Operational Budget & Warrant Article	2019	Draft 2020	Increase Decrease	Percentage Change
Water Operational Budget	\$607,611.00	\$553,842.86	(\$53,768.14)	-8.85%
Water Debt	\$299,536.00	\$294,925.12	(\$4,610.88)	-1.54%
WA Water Capital Improvement	\$200,000.00	\$250,000.00	\$50,000.00	25.00%
Totals	\$1,107,147.00	\$1,098,767.98	(\$8,379.02)	-0.76%
		Water Department Bottom Line Totals		

25% increase in Water Capital Investment with a decrease in the bottom-line
(357% increase from 2019 and prior Water Dept CIP Funding of \$70,000)

2021 Town Operational Budget Pending Tasks

The following task still need to be accomplished:

- Meet with Town of Raymond Moderator and CIP Committee to validate recommendations
- ✓ Deliver Drafts to Town of Raymond Budget Committee/present on October 13th, 2020
- Re-Scrub and re-validate all draft numbers
- Add in actual insurance cost when they are available
- Identify preliminary projected cost of Torrent Hose Company Remodel
- Present 2021 Revenue Projections
- Finalize Default Budgets
- Finalize Waste Disposal SRF numbers
- Finalize Distribution of Social Service Warrant Article
- Estimate Tax Impacts on all Warrant Articles (to include budget); *still awaiting DRA 2020 Tax Rate Numbers*
- Finalize Warrant Articles
- Secure Board of Selectmen Approval on Budgets and Warrant Articles
- Present final product to Budget Committee during a public hearing

2021 Appropriation Considerations

The following items are being evaluated for inclusion into the 2021 Appropriation Package:

- Evaluate need to increase CIP Warrant Article by 3% (\$10,350) in 2021
- Evaluate need and amount needed for PD vehicle & equipment & add to Vehicle Equipment Revitalization WA (no Tax Impact)
- Evaluate a Covid-19 fund in One-time Cyclic Warrant Article (no Tax Impact)

Questions